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Alliant Techsystems, Inc.

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Raytheon Company,)	Case No. _____
)	
Plaintiff,)	
)	
vs.)	ANSWER OF DEFENDANT
)	ALLIANT TECHSYSTEMS INC.
)	
Alliant Techsystems Inc.,)	
)	
Defendant.)	
)	

For its Answer to the Complaint for (1) Breach of Contract and (2) Breach of Express Warranty (the "Complaint") filed by Plaintiff Raytheon Company ("Plaintiff" or "Raytheon") on July 30, 2013, Defendant Alliant Techsystems Inc. ("Defendant" or "ATK") admits, denies and alleges as follows:

PARTIES

1. Responding to Paragraph 1 of the Complaint, Defendant ATK admits that Raytheon is a Delaware corporation with its principal place of business in Massachusetts, that the Raytheon Missile Systems division is headquartered in Tucson, Arizona, and that

1 Raytheon contracts with the U.S Government to produce missiles for military and national
2 defense purposes. ATK lacks sufficient knowledge to admit or deny the remaining
3 allegations in Paragraph 1.

4 2. ATK admits the allegations contained in Paragraph 2 of the Complaint.

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6 **JURISDICTION AND VENUE**

7 3. Responding to Paragraph 3 of the Complaint, ATK admits that the U.S.
8 District Court for the District of Arizona has jurisdiction over the subject matter and
9 parties involved in this litigation, as does the U.S. District Court for the Eastern District of
10 Virginia, where ATK has filed a lawsuit against Raytheon arising from the same dispute
11 in *Alliant Techsystems Inc., Plaintiff, v. Raytheon Company, d/a/a Raytheon Company*
12 *Missile Systems, Defendant*, Civil Action No. 1:13CV919-LO/IDD. The remainder of
13 Paragraph 3 states a legal conclusion to which no response is required.

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15 4. Paragraph 4 contains a legal conclusion to which no response is required.

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17 5. Paragraph 5 contains a legal conclusion to which no response is required.

18 **GENERAL ALLEGATIONS**

19 6. In response to Paragraph 6 of the Complaint, ATK admits that Raytheon
20 issued Purchase Order No. 4200101184 to ATK, but avers that the terms of the Purchase
21 Order are the best evidence of its content. Paragraph 6 is otherwise denied.

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23 7. In response to Paragraph 7 of the Complaint, ATK admits that Raytheon
24 issued Purchase Order No. 4200177249 to ATK, but avers that the terms of the Purchase
25 Order are the best evidence of its content. Paragraph 7 is otherwise denied
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1 8. In response to Paragraph 8 of the Complaint, ATK admits that Raytheon
2 issued Purchase Order No. 4200279248 to ATK, but avers that the terms of the Purchase
3 Order are the best evidence of its content. Paragraph 8 is otherwise denied.

4 9. In response to Paragraph 9 of the Complaint, ATK admits that Raytheon
5 issued Purchase Order No. 4200081161, to ATK, but avers that the terms of the Purchase
6 Order are the best evidence of its content. Paragraph 9 is otherwise denied.

7 10. In response to Paragraph 10 of the Complaint, ATK admits that Raytheon
8 issued Purchase Order No. 4200230575 to ATK, but avers that the terms of the Purchase
9 Order are the best evidence of its content. Paragraph 10 is otherwise denied.
10

11 11. ATK denies the allegations in Paragraph 11 of the Complaint, and avers that
12 ATK's performance under the purchase orders was excused because of defective
13 specifications, conduct of Raytheon that constituted waiver, an effective termination for
14 convenience, and other affirmative defenses set forth in Paragraphs 30-41 below.
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16 12. ATK denies the allegations in Paragraph 12 of the Complaint.
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18 13. ATK lacks sufficient knowledge to admit or deny the allegations in
19 Paragraph 13 of the Complaint, and therefore denies the allegations.

20 14. Paragraph 14 of the Complaint refers to a series of written notices and
21 correspondence from Raytheon to ATK. Those documents speak for themselves and are
22 the best evidence of their content. Paragraph 15 is otherwise denied.

23 15. In response to Paragraph 15 of the Complaint, ATK is informed and
24 believes that Raytheon engaged another subcontractor to provide missile components that
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1 Raytheon had contracted with ATK to provide, but ATK lacks information sufficient to
2 form a belief as to the circumstances. ATK denies that Raytheon's decision to engage
3 another subcontractor or Raytheon's decision to terminate one or more of its subcontracts
4 with ATK was due to the fault of ATK.

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6 16. In response to Paragraph 16 of the Complaint, ATK admits that it entered
7 into Standstill Agreement dated May 8, 2012, with Raytheon, but avers that the document
8 is the best evidence of its content. Paragraph 16 is otherwise denied.

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10 17. In response to Paragraph 17 of the Complaint, ATK admits that it sent a
11 letter dated May 9, 2013 to Raytheon, but avers that the terms of the letter are the best
12 evidence of its content. Paragraph 17 is otherwise denied.

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14 18. In response to Paragraph 18 of the Complaint, ATK admits that Raytheon
15 sent a letter dated May 24, 2013 to ATK, but avers that the terms of the letter are the best
16 evidence of its content. Paragraph 18 is otherwise denied.

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18 19. In response to Paragraph 19 of the Complaint, ATK admits that Raytheon
19 sent a letter dated June 17, 2013 to ATK, but avers that the terms of the letter are the best
20 evidence of its content. ATK further admits that it received the notice on July 19, 2013.
21 Paragraph 19 is otherwise denied.

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23 20. In response to Paragraph 20 of the Complaint, ATK admits only that it
24 received correspondence from Raytheon dated July 30, 2013, purporting to terminate for
25 alleged default the rocket motor portions of the Lot 23 and 24 IWR Contracts, but avers
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1 that the terms of the correspondence are the best evidence of their content. ATK denies
2 the remainder of the allegations contained in Paragraph 20.

3 21. In response to Paragraph 21 of the Complaint, ATK admits the existence of
4 the IWR and BLRM Contracts, but avers that the terms of the contracts are the best
5 evidence of their content. Paragraph 21 is otherwise denied.
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7 22. ATK denies the allegations in Paragraph 22, and avers that the
8 specifications contained within the IWR and BLRM Contracts are defective. The
9 remainder of Paragraph 22 references the terms of the IWR and BLRM Contracts, which
10 are the best evidence of their content. Paragraph 22 is otherwise denied.
11

12 **COUNT I – BREACH OF CONTRACT**

13 23. ATK incorporates Paragraphs 1-22 of its Answer by reference as though
14 fully set forth herein.

15 24. ATK denies the allegations in Paragraph 24.

16 25. ATK denies the allegations in Paragraph 25.

17 26. ATK denies the allegations in Paragraph 26.

18 **COUNT II – BREACH OF EXPRESS WARRANTY**

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20 27. ATK incorporates Paragraphs 1-26 of its Answer by reference as though
21 fully set forth herein.
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23 28. ATK denies the allegations in Paragraph 28.

24 29. ATK denies the allegations in Paragraph 29.
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GENERAL DENIAL, AFFIRMATIVE DEFENSES AND AMENDMENT

30. Defendant ATK denies each allegation of Plaintiff's Complaint not expressly admitted, denied or otherwise addressed above. In addition, ATK asserts the following affirmative defenses.

31. Plaintiff's Complaint fails to state a claim upon which relief can be granted.

32. Plaintiff's claims are barred by the terms of the subcontracts and express warranties in question, including Federal Acquisition Regulation clauses incorporated by reference into the subcontracts and federal common law interpreting those clauses.

33. Raytheon's claims are barred because Raytheon's actions constituted an effective partial termination for convenience of the subcontracts.

34. Raytheon's recovery is barred by the doctrines of impossibility and/or commercial impracticability.

35. Raytheon's recovery is barred by the doctrines of waiver and estoppel.

36. Raytheon's recovery is barred by the doctrines of setoff and recoupment.

37. Raytheon's recovery is barred because the subcontract specifications were defective.

38. Raytheon's recovery is barred by the doctrine of mutual mistake.

39. Raytheon's recovery is barred to the extent the recovery sought constitutes special or consequential damages barred by the terms of the subcontracts.

40. Raytheon's recovery is barred to the extent that Raytheon failed to mitigate its damages.

1 DATED this 29th day of August, 2013.

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11 Original filed via the Court's ECF system
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13 this 29th day of August, 2013 to:

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